



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

William W. Hamilton Jr., Treasurer
Democratic Republican Independent MAR 13 1996
Voter Education Committee
25 Louisiana Avenue NW
Washington, DC 20001

Identification Number: C00032979

Reference: Year End Report (12/1/95-12/31/95)

Dear Mr. Hamilton:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Your report discloses the use of negative entries as adjustments for either contribution refunds or returns on Schedule B for Lines 23 and 29 of the Detailed Summary Page. Please be advised, if contribution checks written by your committee were not cashed, you should itemize the voided checks on Schedule B supporting Lines 23 and 29 as negative entries. If the recipient committee cashed your check and wrote a refund on its account the amount should be itemized on Schedule A for Line 16 of the Detailed Summary Page.

Please amend your report to clarify the use of negative entries and correct any possible errors that may arise from this clarification. A copy of page 36 of the 1994 Campaign Guide for Corporations and Labor Organizations and a copy of the instructions on the back of the Detailed Summary Page explaining the proper way of itemizing contribution refunds and returns has been included to assist you.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 219-3580.

Sincerely,

A handwritten signature in black ink that reads "Edward D. Ryan".
Edward D. Ryan
Reports Analyst
Reports Analysis Division

Refunds Received by the SSF

If an SSF receives a refund of a contribution it has made, it must report the refund in one of two ways, depending on the circumstances described below.

Original Check Not Deposited

If a check to a candidate committee or other political committee is not deposited (e.g., if it is returned uncashed or is lost), report the amount as a negative entry on a Schedule B for Line 23, "Contributions to Federal Candidates and Other Political Committees." (The amount is subtracted from the total for Line 23.) An example is illustrated at right.

Refunded by Recipient's Check

If the recipient committee deposits the contribution and then refunds it with its own check, itemize the refund, regardless of amount, on a Schedule A for Line 16, "Contribution Refunds."

Refunds Made by the SSF

When an SSF refunds a contribution to a donor, the committee must include the disbursement in the total for the appropriate category of refund on the Detailed Summary Page (Line 28(a), (b) or (c)). If the SSF previously itemized the incoming contribution on Schedule A, then it must itemize the refund on a Schedule B for the appropriate line number, 104.8(d)(4).

(An SSF may return a contribution to the donor without depositing it, although the return must be made within 10 days of the treasurer's receipt of the contribution, 103.3(a). In this case, the committee does not have to report either the receipt or the return of the contribution.)

RETURNED CONTRIBUTIONS

SCHEDULE B ITEMIZED DISBURSEMENTS		PAGE OF FORM NUMBER	
Contributions to Federal Candidates			
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.			
NAME OF COMMITTEE (in full)		NAME OF DISBURSEMENT	
> National Organization PAC 00000000		Elton Thompson, U.S. House Candidate 13th (State) 6/21/94 Amount: <input checked="" type="checkbox"/> \$1,000 <input type="checkbox"/> \$2,000 <input type="checkbox"/> \$3,000 <input type="checkbox"/> \$4,000 <input type="checkbox"/> \$5,000	
A. Full Name, mailing address and ZIP Code Elton Thompson for Congress 49 Williams Street City, State ZIP		Date Disbursed 06/21/94	Amount of Each Disbursement That Purse (\$3,500) (check, instrumented)

Negative entries are shown in parentheses.

REFUNDED CONTRIBUTION

SCHEDULE A ITEMIZED PAYMENTS		PAGE OF FORM NUMBER	
Refunds of Contributions			
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.			
NAME OF COMMITTEE (in full)		NAME OF PAYOR	
> National Organization PAC 00000000		Date Income 06/21/94 Amount of Each Payment \$1,000.00 Contribution itemized on the July quarterly report \$1,000.00	
A. Full Name, mailing address and ZIP Code Barry Cunningham / Senator 10015 Smokey Hill Road City, State ZIP Received from: <input checked="" type="checkbox"/> Person <input type="checkbox"/> Organization <input type="checkbox"/> Government			

Unlike returned contributions, contributions that are refunded by a check from the recipient are reported as receipts.

INSTRUCTIONS FOR DETAILED SUMMARY PAGE — FEC FORM 3X

(revised 1/1/91)

A political committee must report the total amount of receipts and disbursements during the reporting period and during the calendar year for each category of receipts and disbursements on FEC FORM 3X. The committee's full name and the coverage dates of the report must be entered in the appropriate blocks. If there are no receipts or disbursements for a particular category for a reporting period or calendar year, enter "0".

To derive the "Calendar Year-to-Date" figure for each category, the political committee should add the "Calendar Year-to-Date" total from the previous report to the "Total This Period" from Column A for the current report. For the first report filed for a calendar year, the "Calendar Year-to-Date" figure is equal to the "Total This Period" figure.

LINE 11(a)(i) Enter the total amount of contributions (other than loans) from individuals, partnerships, and other persons who are not political committees that are required to be itemized on Schedule A. For each such person who has made one or more contributions during the calendar year aggregating in excess of \$200, the committee must itemize on Schedule A and provide the identification (full name, mailing address, occupation and name of employer) of the person, date and amount of each contribution aggregating in excess of \$200 and the aggregate year-to-date total.

LINE 11(a)(ii) Enter the total amount of all contributions from individuals/persons other than political committees not required to be itemized on Schedule A.

LINE 11(a)(iii) Add Lines 11(a)(i) and 11(a)(ii) to derive the figure for Column A. For the Column B figure, see above instructions on how to calculate the Calendar Year-to-Date figure.

LINE 11(b) For political committees, enter the total amount of contributions (other than loans) from political party committees on Line 11(b). These contributions must be itemized on Schedule A, regardless of the amount. For each contribution, provide the identification (full name and address) of the committee, date and amount of the contribution and the aggregate year-to-date total. Political party committees should use Line 12.

LINE 11(c) Enter the total amount of contributions (other than loans) from other political committees on Line 11(c). These contributions must be itemized on Schedule A, regardless of the amount. For each contribution, provide the identification (full name and address) of the committee, date and amount of the contribution and the aggregate year-to-date total. Do not abbreviate committee names.

LINE 11(d) For both Column A and Column B add Lines 11(a)(ii), 11(b) and 11(c) to derive the figures for Line 11(d).

LINE 12 Political party committees must enter the total amount of transfers from other party committees on Line 12. All other political committees must enter the total amount of transfers from other affiliated committees on Line 12. (See also CFR 102.5 and 102.8.) Loans and loan repayments received from other political party committees or affiliated committees (as appropriate) must be included on Line 12, and not on Line 13. These transfers must be itemized on Schedule A, regardless of the amount. For each transfer, provide the identification (full name and mailing address) of the committee, date and amount of the transfer and the aggregate year-to-date total.

LINE 13 Enter the total amount of loans received (other than loans from affiliated/other party committees) on Line 13. All loans received by the committee must be itemized on Schedule A, regardless of the amount. For each loan, provide the identification (full name, mailing address and, where applicable, occupation and name of employer) of the person making the loan, date and amount of the loan and the aggregate year-to-date total. The committee must also provide on Schedule C the identification of any endorser or guarantor and the amount of the endorsement or guarantee. (See also Instructions for Schedule C.)

LINE 14 Enter the total amount of loan repayments received (other than loan repayments from affiliated/other party committees) on Line 14. All loan repayments received by the committee must be itemized on Schedule A, regardless of the amount. For each loan repayment, provide the identification of the person making the loan repayment, date and amount of the loan repayment and the aggregate year-to-date total.

LINE 15 Enter the total amount of efforts to operating

deposit(s) on Line 15. For each person who provides rebates, refunds and other offsets to operating expenditures aggregating in excess of \$200 for the calendar year, the committee must provide on Schedule A the identification of the person, date and amount of each receipt aggregating in excess of \$200 and the aggregate year-to-date total.

LINE 16 Enter the total amount of refunds of contributions made to Federal candidates and other political committees on Line 16. If the original check was passed through the account of the recipient committee and a check for the refund is written on the recipient committee's account, the refund must be itemized as a receipt on Schedule A, regardless of the amount, and the amount of the refund must be included in the total figure for Line 16. For each contribution refund received, provide the full name and address of the Federal candidate or political committee, date and amount of the refund and the aggregate year-to-date total. DO NOT use this line if the original check is returned unopened. The amount must be reported as a negative entry on Schedule B and deducted from the total amount for Line 22.

LINE 17 Enter the total amount of other receipts (including dividends and interest) on Line 17. For each person who provides any dividends, interest or other receipts aggregating in excess of \$200 for the calendar year, the committee must provide on Schedule A the identification of the person, the date and amount of each receipt aggregating in excess of \$200 and the aggregate year-to-date total.

LINE 18 Transfers from Nonfederal Account for Joint Activity: Enter the total of any transfers from non-federal accounts brought to the federal account or a separate allocation account in order to pay for shared federal/non-federal activity. Only committees with separate federal and non-federal accounts who undertake shared activity affecting both types of campaign should report transfers among these accounts. The total transfers for this period come from the last page of Schedule H4 which itemizes any such transfers made for shared activity.

LINE 19 Total Receipts: For both Column A and Column B add the totals on Lines 11(d), 12, 13, 14, 15, 16, 17, and 18 to derive the figures for Line 19.

LINE 20 Total Federal Receipts: This line represents the difference between total receipts reported on Line 19 and the sum of any transfers into the federal account by non-federal account(s) for shared activity. The value is equal to Line 19 minus Line 18.

LINE 21 Note: Line 21(a) is required only for those committees undertaking activity which is shared among federal and non-federal accounts. Committees with no non-federal accounts, or who do not undertake activities which are shared among federal and non-federal accounts complete only Lines 21(b) and (c). All operating expenses for those purely federal committees should be included on Line 21(a).

Operating Expenditures: Enter the total amount of operating expenditures and shared federal/non-federal activity on the appropriate line under Line 21. Examples of operating expenditures are: salaries, travel, rent and telephones. Committees report only those operating expenditures paid for from committee funds. Enter the federal portion of all operating expenses for shared federal and non-federal activity on Line 21(a)(i). This is equal to the federal share value from the bottom of the last page of Schedule H4 for this period. These shared activities must be itemized on Schedule H4 regardless of amount. Line 21(a)(ii) contains the sum of the non-federal share of operating expenses for shared federal and non-federal activity. This value also is brought forward from the last page of Schedule H4 for this period. Enter on Line 21(b) the sum of all other federal operating expenditures, including those itemized on Schedule B as well as any unitemized federal operating expenditures. For each person who receives payments for operating expenditures aggregating in excess of \$200 for the calendar year, the committee must provide on Schedule B the full name and mailing address, date and amount of the expenditure.

LINE 22 Political party committees must enter the total amount of transfers to all other political party committees on Line 22. All other political committees must enter the total amount of transfers to other affiliated committees on Line 22. Loans and loan repayments made to other political party committees or

included on Line 22, not on Line 26 or 27. These transfers must be itemized on Schedule B, regardless of the amount. For each transfer, provide the full name and mailing address of the recipient committee, date, amount and state that the purpose of the disbursement is a "transfer".

LINE 23 Enter the total amount of contributions to Federal candidates and other political committees on Line 23. These contributions must be itemized on Schedule B, regardless of the amount. DO NOT include transfers reported on Line 22 on this line. Contributions made to non-Federal candidates should not be entered on this line, but on Line 29. For each contribution to a Federal candidate or political committee, provide the full name and address of the political committee or candidate, date and amount of the contribution and, in the case of a candidate or authorized committee provide under "Purpose" the office sought by the candidate, (including State and congressional district, where applicable.)

LINE 24 Enter the total amount of independent expenditures on Line 24. Note: Political party committees may not make independent expenditures in connection with a general election. (See also instructions for Schedule E.)

LINE 25 For political party committees, enter the total amount of coordinated expenditures made by the committee pursuant to 2 U.S.C. 441g(d) on Line 25. Note: Political committees which are not political party committees may not make coordinated expenditures. (See also instructions for Schedule E.)

LINE 26 Enter the total amount of loan repayments made on Line 26. All loan repayments made must be itemized on Schedule B, regardless of the amount. For each person who receives a loan repayment, provide the full name, mailing address, date, amount, and state that the purpose of the disbursement is a "loan repayment".

LINE 27 Enter the total amount of loans made (excluding transfers reported on Line 22) on Line 27. For each loan made by the committee provide the full name and mailing address of the person, date and amount of the loan, and state that the purpose of the disbursement is a "loan".

LINE 28(a) Enter the total amount of contribution refunds to individuals/persons other than political committees on Line 28(a). For each person who receives a refund of a contribution which was previously itemized on Schedule A, the committee must provide on Schedule B the full name, mailing address, date, amount and state that the purpose of the disbursement is a "contribution refund".

LINE 28(b) Enter the total amount of contribution refunds to political party committees on Line 28(b). All such refunds must be itemized on Schedule B, regardless of the amount. For each contribution refund, provide the full name, mailing address, date, amount and state that the purpose of the disbursement is a "contribution refund".

LINE 28(c) Enter the total amount of contribution refunds to other political committees on Line 28(c). (See instructions for Line 28(b) for other reporting requirements.)

LINE 28(d) For both Column A and Column B add the totals on Lines 28(a), 28(b) and 28(c) to derive the figures for Line 28(d).

LINE 29 Enter the total amount of other disbursements (including contributions to non-Federal candidates) on Line 29. For each such person who receives any disbursement(s) not otherwise disclosed where the aggregate amount or value is in excess of \$200, the committee must provide the full name and address of such person, together with the date, amount and purpose of any such disbursement.

LINE 30 For Column A and Column B add the totals on Lines 21(d), 22, 23, 24, 25, 26, 27, 28(d) and 29 to derive the figures for Line 30.

LINE 31 Total Federal Disbursements: Subtract from Line 30 (total disbursements) the total non-federal share of disbursements from Line 21(a)(ii).

LINE 32-37 Enter the figures requested and complete the calculations as noted.

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